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Message Text

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PAGE 01 CANBER 01272 240547Z
ACTION XMB-04

INFO OCT-01 EA-07 ISO-00 EB-08 AID-05 CIAE-00 COME-00
FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00 OPIC-03 SP-02
CIEP-01 LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-04
CEA-01 PA-01 PRS-01 /080 W
----------240553 022443 /14
R 240501Z FEB 77
FM AMEMBASSY CANBERRA
TO AMCONSUL MELBOURNE
INFO SECSTATE WASHDC 9862
AMCONSUL SYDNEY
AMCONSUL BRISBANE
AMCONSUL PERTH

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DEPARTMENT FOR EXIM BANK

EO 11652: NA
TAGS: EFIN, ETRD, AS
SUBJECT: STATUS OF EXIM BANK TRANSACTIONS UNDER GOA VARIABLE DEPOSIT RATE REQUIREMENT

REF: MELBOURNE 400

1. TREASURER'S 14 JANUARY ANNOUNCEMENT OF NEW CONTROLS ON OVERSEAS BORROWINGS SPECIFIED THAT BORROWINGS SPECIFICALLY TO FINANCE TRADE TRANSACTIONS ON NORMAL TRADE CREDIT TERMS WOULD BE OUTSIDE THE AMBIT OF THE NEW CONTROLS. THIS RE-STATED THE SIMILAR EXEMPTION OF TRADE TRANSACTIONS SPECIFIED WHEN THE VARIABLE DEPOSIT RATE AND EMBARGO REGULATIONS ORIGINALLY IMPOSED BY THE GOA AT THE END OF 1972.

2. WHEN THE REQUIREMENTS WERE IMPOSED IN 1972, COMMERCIAL COUNSELOR FRANK WILSON IMMEDIATELY NEGOTIATED WITH THE
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GOVERNOR OF THE RESERVE BANK OF AUSTRALIA AN UNDERSTANDING THAT EXIM BANK TRADE FINANCING, WITH SPECIFIC REFERENCE TO THE EXIM BANK CFF ARRANGEMENTS IN AUSTRALIA, WERE OUTSIDE THE AREA OF THE NEW CONTROLS.

3. THE 1972 CONTROL SYSTEM WAS NEVER ABOLISHED, ALTHOUGH THE VDR RATE HAD BEEN REDUCED TO ZERO PRIOR TO THE RESTORATION IN

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JANUARY 1977 OF A 25 PERCENT RATE. IN VIEW OF THIS HISTORY,
WE ASSUME THAT EXIM BANK TRADE FINANCING REMAINS EXEMPT, AND
THERE APPEARS NO REASON TO REOPEN THE QUESTION WITH THE
RESERVE BANK UNTIL AND UNLESS PROBLEMS ARE ENCOUNTERED WITH
EXIM BANK TRANSACTIONS.

4. IF WE DO ENCOUNTER SPECIFIC PROBLEMS IN THIS RESPECT, THE
EMBASSY WOULD PLAN TO RAISE THE MATTER DIRECTLY WITH THE
RESERVE BANK HEADQUARTERS IN THE CONTEXT OF THE ORIGINAL
DISCUSSIONS BETWEEN FRANK WILSON AND THE GOVERNOR OF THE
RESERVE BANK AND FOR THIS REASON WE BELIEVE IT WOULD BE
PREFERABLE NOT TO RAISE THESE ISSUES WITH LOCAL RESERVE BANK
OFFICES IN OTHER CITIES.
HARGROVE

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, LOANS, EMBARGOES
Control Number: n/a
Copy: SINGLE
Sent Date: 24-Feb-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977CANBER01272
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770063-0938
Format: TEL
From: CANBERRA
Handling Restrictions: n/a
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Legacy Key: link1977/newtext/t19770214/aaaaamob.tel
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Litigation History:
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Office: ACTION XMB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 MELBOURNE 400
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 15-Nov-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3244771
Secure: OPEN
Status: NATIVE
Subject: STATUS OF EXIM BANK TRANSACTIONS UNDER GOA VARIABLE DEPOSIT RATE REQUIREMENT
TAGS: EFIN, ETRD, AS, XMB
To: MELBOURNE
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/9b72c1bf-c288-dd11-92da-001cc4696bcc
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